

EXECUTIVE SECRETARIAT
ROUTING SLIP

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TO:

		ACTION	INFO	DATE	INITIAL
1	DCI		X		
2	DDCI		X		
3	EXDIR				
4	D/ICS				
5	DDI		X		
6	DDA				
7	DDO		X		
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/Pers				
14	D/OLL				
15	D/PAO				
16	SA/IA				
17	AO/DCI				
18	C/IPD/OIS				
19	NIO/CT-NARC	X			
20	VC/NIC		X		
21	C/CPN/DO		X		
22					
SUSPENSE		Date			

Remarks

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Executive Secretary

24 APR 1985

Date

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Executive Registry

85- 1677/1

24 April 1985

MEMORANDUM FOR: National Intelligence Officer for Narcotics

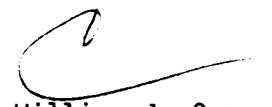
FROM: Director of Central Intelligence

SUBJECT: National Drug Enforcement Policy Board Meeting,
24 April 1985

1. There is to be a working group of the Drug Enforcement Policy Board which will meet every month or so, with a board meeting every three months or so. You are to represent me on the working group at the first meeting in 30-45 days, exact date to be determined. Every member is to present a narcotics threat assessment and a rundown on the resources committed to various functions and relationships in the narcotics target.

2. George Shultz suggested the need for a narcotics incident management group comparable to the terrorist incident management group. It would deal with events like the incident in Mexico of several weeks ago. The discussion seemed to indicate that perhaps the same group could handle crisis management for narcotics and terrorist incidents.

3. I attach two pieces of paper the Attorney General handed out at the meeting, one calling for recommendations of the working group on new policy, and legislation to address the designer drug problem.



William J. Casey

Attachments

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NATIONAL DRUG ENFORCEMENT POLICY BOARD

Issue: Statistics on Federal Drug Seizures

Discussion:

Efforts by the Federal Government to measure the effectiveness of its drug enforcement program have been severely hampered by the lack of centrally gathered statistics on Federal drug seizures. Historically, each agency involved in drug seizures has kept its own figures. This suits the needs of the agencies to record their individual accomplishments, but it has resulted in substantial overlapping of data among agencies.

A hundred tons of marijuana, for example, seized by the Coast Guard with the assistance of the U.S. Customs Service and the Drug Enforcement Administration, are often logged on each agency's books for the full amount: each system shows a hundred-ton seizure in its database.

As a result, efforts to total the seizures recorded by all Federal agencies have produced figures that reflect double- or triple-counting in many cases. Without a data collection system that will prevent such errors, the Federal Government is unable to gather reliable statistics for the total amount of drugs it seizes.

Proposal:

Because this is an interagency issue that affects the ability of the Federal Government to assess the effectiveness of its drug enforcement efforts, accounting for drug seizures would be an appropriate problem for the National Drug Enforcement Policy Board to examine and resolve. The focus would be on developing a system that would compile Federal drug seizure data in a manner that is both reliable and cost effective.

NATIONAL DRUG ENFORCEMENT POLICY BOARD

Issue: Designer Drugs

Discussion:

The term "designer drugs" refers to new substances that are chemically similar to drugs already subject to the Controlled Substances Act. By making slight chemical alterations, a producer can create new drugs that have the effect of controlled substances, but are not in violation of the Act.

The new compounds can be developed and marketed very quickly, and as soon as they are identified by the Government and put under emergency scheduling controls, the clandestine laboratories could simply introduce another modification to circumvent the law. If this cycle should occur, law enforcement would always be one step behind the producers, and the toll on public health would escalate as the supply of unscheduled drugs increased.

The profit incentive for the production of designer drugs is exceptionally strong: it has been estimated that a small, reasonably well-equipped lab, with college-trained chemists, can produce \$2 million worth of synthetic heroin on a \$500 investment in chemicals. It would be reasonable to expect such a lucrative enterprise to attract an increasing number of producers, particularly if they are not subject to the penalties of the Controlled Substances Act.

The ease with which labs can produce large quantities of designer drugs means that increasing amounts of substitutes for controlled substances may arrive in the marketplace. Reportedly, a single chemist working full-time could produce enough synthetic heroin to keep the entire country's addicts supplied indefinitely. Some heroin substitutes widely available on the West Coast are hundreds of times more powerful than morphine, and serious neurological damage and even death have resulted from their use.

Given their availability, potency, and ambiguous legal status, designer drugs could easily become the drug of choice for many users. This has caught the interest of the media and the Congress, and bills have been introduced in both the House and the Senate that would require the Policy Board to assess the problem and submit recommendations to Congress.

Proposal:

In view of the urgency of the designer drug problem and the need for new policy and legislation to address it, the Policy Board should adopt this as an issue and request the recommendations of the Working Group.

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The Director of Central Intelligence
Washington, D.C. 20505

National Intelligence Council

NIC-02134-85
23 April 1985

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence

FROM: Charles E. Allen
National Intelligence Officer for Counterterrorism and
Narcotics

SUBJECT: National Drug Enforcement Policy Board Meeting, 24 April 1985

1. I have reviewed the agenda and background materials for the first National Drug Policy Board Meeting and offer the following to prepare you for the meeting. The purpose of the Policy Board is to improve policy development and coordination among Federal agencies by:

- Reviewing, evaluating, and developing US Government policy strategy and resources with respect to drug law enforcement.
- Facilitating coordination of all US Government efforts against the international drug trade.
- Coordinating the collection and evaluation of information necessary to implement US drug enforcement policy.

2. As you know, the Intelligence Community operates under the authority of Executive Order 12333 in collecting, analyzing, and disseminating intelligence on foreign aspects of narcotics production to support the international objectives of the National Strategy for Prevention of Drug Abuse and Drug Trafficking. In accordance with law, the Community also provides direct support for Federal law enforcement activities called for in the National Strategy. Here are some points to consider regarding the Community's ongoing support for narcotics control policy, interagency interdiction efforts, and drug enforcement challenges we are currently addressing.

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Narcotics Control Policy

- To support the requirements of the International Narcotics Control Strategy Report, CIA's Directorate of Intelligence continues to issue crop production estimates based [] for the major narcotics producing countries. The NIO for Narcotics ensures that recommendations for such crop estimates are coordinated with State/INM, DEA, and appropriate representatives of other agencies. The NIO also reviews the priorities assigned to these estimates to ensure that they take into account the changing operations and policy needs of consumers.
- In response to policymaker needs, the Community has begun to expand the scope of narcotics intelligence to address the totality of the drug problem. For example, we have an NIE underway to address the national security implications of the drug trade for the United States, and another examines all foreign dimensions of the cocaine trade. Within CIA, a major effort has been initiated to develop an understanding of trafficking organizations, patterns, and infrastructures in producing and transit countries. Increased attention is also being given to identifying opportunities for drug control and to assessing the effects of narcotics activity and drug abuse on public attitudes and national policies in producing and consuming countries. Scheduled production on foreign narcotics issues, both within the Intelligence Community as well as by the intelligence components of other agencies, is reviewed periodically by the NIO for Narcotics to ensure that there is consensus within the Community on the priority assigned to the production of finished narcotics intelligence.

Interagency Interdiction

- ① ✓ -- All three major collection disciplines--HUMINT, SIGINT, and Imagery--are being tasked to provide foreign intelligence support to Federal law enforcement initiatives, and information is now flowing between the Intelligence and Law Enforcement Communities at an unprecedented rate.
- 3 -- Representatives from the Offices of General Counsel of the Intelligence Community meet regularly with Justice Department officials to review the practical problems associated with the dissemination of intelligence to law enforcement agencies and to discuss the protection of intelligence sources and methods during criminal investigations and criminal prosecutions.
- 2 -- The Memorandum of Understanding signed by you and the Attorney General in April 1984 covering "Procedures Governing Conduct and Coordination by CIA and DEA of Narcotics Activities Abroad" lays out procedures for a broad range of activities and concerns involving the two agencies and provides an effective instrument for dealing with a number of potential coordination problems.

- Several personnel assignments during the last two years have markedly improved the intelligence coordination process between the Community and several law enforcement agencies. These include the assignment to the Vice President's Office of a CIA officer to interface with the NIO for Narcotics on behalf of NNBIS in levying requirements on the Intelligence Community.

Intelligence Objectives

- Greater attention must be paid by Community and law enforcement agencies to the development of comprehensive all-source collection strategies.
- Within legal constraints, all agencies including intelligence components of DoD must continue to:
 - *Drug crop production estimates for major drug production countries*
Expand collection and analysis issues such as drug-related political and military corruption, government and military attitudes toward drug control, the impact of the drug trade on the social fabric of producing and transit countries, and the involvement of terrorists and insurgents in the drug trade.
 - Develop a much better understanding of the infrastructure of trafficking organizations including their commercial and banking connections, logistical capabilities, organizational structure, modus operandi, and the level of cooperation that exists among these groups.
 - Assess the methods used by traffickers to influence political decisions and gain support among the populace.
 - Further expand and develop expertise on the illicit flow of drug money and begin to probe its linkage to illicit arms flows, terrorist and insurgent groups, and the technology transfer problem.
 - Continue efforts to develop new technologies for collection and analysis not only of drug crops but also of trafficking facilities and drug labs.
 - Further increase the breadth and scope of narcotics issues addressed through the National Estimative process and by individual Intelligence Community and enforcement agencies.

Intelligence Problems Regarding Drug Enforcement

- Legal constraints on the collection and analysis of intelligence in support of law enforcement and interdiction efforts will continue to affect the extent of the relationship between the Intelligence Community and law enforcement agencies. We have taken appropriate steps toward a useful and proper relationship in this area, but careful stewardship will continue to be required if the Community is to remain forthcoming in its support while ensuring that sources and methods are not jeopardized or legal problems are created in the process.

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- To a great extent, law enforcement agencies such as NNBIS and DEA still maintain a somewhat anomalous relationship with the institutional intelligence process. While there has been progress in initiating regular contacts between such agencies and the DCI's collection committees through appropriate channels such as the NIO for Narcotics, representatives of these agencies must become even more familiar with committee structures and the process by which collection priorities are determined. Otherwise the Community's relations with these agencies will continue to be maintained on an ad hoc, pragmatic basis.

A Final Point Regarding Interdiction Strategy

- During the past year representatives of the Intelligence and Law Enforcement Communities met several times as part of the NNBIS Coordinating Board's Joint Surveillance Committee (JSC). The JSC was charged with examining the national capability to detect and interdict drug traffickers and to recommend initiatives to improve that capability. The JSC report was heavily weighted toward interdiction efforts at or near the US border. There may be an effort to steer the Drug Enforcement Policy Board in the same direction. From my perspective, the focus on border interdiction initiatives raises a fundamental question regarding our national enforcement strategy. In view of the current budget climate and given the entire gambit of possible narcotics control enhancements, does front loading a sizable investment in additional capabilities to interdict traffickers at our border really make sense? I believe a strong case can and should be made for investing in more enforcement personnel as well as intelligence and operational capabilities to disrupt the trafficking infrastructure and production capabilities in key source areas such as the Llanos area of Southeast Colombia. A stream of reliable reporting indicates major cocaine trafficking organizations have located their cocaine production labs there.


Charles E. Allen